

Policy and Guidelines on Managing Conflicts of Interest

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1. Policy statement

- 1.1 The Hong Kong Breast Cancer Foundation (“HKBCF”) is obliged to manage conflicts of interest which may inadvertently arise out of actions or inactions by members of Council and Committees as well as employees of the HKBCF (“Relevant Persons”). This Policy and Guidelines provides an explanation on conflicts of interest and suggests preventive measures for the Relevant Persons.

2. Conflicts of interest

- 2.1 A conflict of interest arises when the “private interests” of a Relevant Person compete or conflict with the interests of the HKBCF or the official duties of the Relevant Person. Private interests include financial and other interests of the Relevant Person and those of his/her connections including family and other relations, personal friends, the clubs and societies to which he/she belongs, and any person to whom he/she owes a favour or to whom he/she may be obligated in any way. Use of official position and use of official information are some common areas in which a conflicts of interest may arise between official duties and private interests of a Relevant Person.

3. Avoidance and declaration of conflicts of interest

- 3.1 A fundamental integrity requirement is that all Relevant Persons shall avoid situations which may compromise or be seen to compromise their personal judgement or integrity at work or lead to conflicts of interest.
- 3.2 There are circumstances in which a tie of kinship or friendship, or some other association or loyalty which does not give rise to a financial interest, can influence the judgement of a Relevant Person in discharging his/her official duties, or may reasonably be perceived as having such an influence. As such, a Relevant Person’s duty to avoid or declare a conflict of interest goes beyond the disclosure of interests that are definable in pecuniary terms.
- 3.3 Each Relevant Person shall declare to the HKBCF on appointment whether he/she is aware of any conflicts of interest he/she may have against the HKBCF arising from his/her capacity in the HKBCF. Also, each Relevant Person has the responsibility to ascertain to his/her best efforts whether his/her immediate family members or companies under their control may render the Relevant Person in a perceived or actual conflict of interest situation against the HKBCF arising from his/her capacity in the HKBCF. He/she shall make declaration, if there is any.

- 3.4 When a situation involving a conflict of interest cannot be avoided, the Relevant Person shall as soon as possible make full disclosure of all relevant interests which conflict, may conflict or may be seen to conflict with their official duties. Relevant Persons may refer to the Guidelines on Declaration of Conflicts of Interest at Appendix 1 for the procedures in declaring interests. Any declarations made and the related decisions shall be recorded in writing in the subject file or a central declaration file.
- 3.5 When a Relevant Person has a potential conflict of interest in a matter, he/she shall make full disclosure of his/her interest. The basic principle to be observed is that Relevant Person's advice, decisions or views shall be disinterested and impartial and it is the responsibility of each Relevant Person to judge and decide if the situation warrants a declaration, and to seek a ruling from the authority indicated below. The ruling authority shall decide on the appropriate course of action to be taken upon receipt of a declaration of conflicts of interest.

Relevant Persons	Ruling Authority
Chairman of Management Committee	Management Committee
Members of Council and Committees/ Chief Executive Officer/General Manager	Chairman of Management Committee
General Employees	Chief Executive Officer/General Manager

4. Relevant Persons bidding for supply of goods/services to the HKBCF

- 4.1 As a matter of principle, Relevant Persons shall avoid entering into any business relationship with the HKBCF in their personal capacity to prevent perceived or actual conflicts of interest. Relevant Persons shall adhere to the Measures to Manage Possible Conflicts of Interest Arising from Relevant Persons Bidding for Supply of Goods/Services to the HKBCF as set out at Appendix 2.

5. Review

- 5.1 This Policy and Guidelines is subject to review and revision from time to time by the HKBCF.

6. Enquiries

- 6.1 If Relevant Persons have doubts concerning the handling of conflicts of interest situation, they should immediately consult the Chairman of Management Committee or the Chief Executive Officer/General Manager respectively.

Appendix 1

Guidelines on Declaration of Conflicts of Interest

Introduction

1. Each Relevant Person shall declare to the HKBCF on appointment (Form HRA31a or HRA31b at Appendix 3) whether he/she is aware of any conflicts of interest he/she may have against the HKBCF arising from his/her capacity in the HKBCF. Also, each Relevant Person has the responsibility to ascertain to his/her best efforts whether his/her immediate family members or companies under their control may render the Relevant Person in a perceived or actual conflict of interest situation against the HKBCF arising from his/her capacity in the HKBCF. He/she shall make declaration, if there is any.
2. When a Relevant Person has a potential conflict of interest in a matter, he/she shall make full disclosure of his/her interest as and when such a situation arises. The basic principle to be observed is that Relevant Person's advice, decisions or views shall be disinterested and impartial and it is the responsibility of each Relevant Person to judge and decide if the situation warrants a declaration, and to seek a ruling from the Management Committee or the Chairman of Management Committee or the Chief Executive Officer/General Manager respectively.
3. The Human Resources and Administration Department shall send an annual reminder to each Relevant Person for declaring conflicts of interest. Relevant Persons shall acknowledge receipt of the reminder in writing and follow the declaration procedure as appropriate.
4. It is impossible to define or describe all the situations that would call for such a declaration, because each individual case differs, and because of the difficulty of catering for unusual and unforeseen circumstances.

Potential conflicts of interest situations

The following are potential conflicts of interest situations:

5. Pecuniary interests in a matter under consideration by the Council/Committee/Management, held either by the Relevant Person or by any of his/her immediate family members or companies under their control who may render the Relevant Person in a perceived or actual conflict of interest situation.

6. A directorship, partnership, advisory or client relationship, employment or other significant connection with a company, firm, club, association, union or other organisation which is connected with, or the subject of, a matter under consideration by the Council/Committee/Management.
7. Some friendships which might be so close as to warrant declaration in order to avoid situations where an objective observer might perceive a Relevant Person's advice to have been influenced by the closeness of the association.
8. A Relevant Person who, as a barrister, solicitor, accountant or other professional adviser, has personally or as a member of a company, advised or represented or had frequent dealings with any person or body connected with a matter under consideration by the Council/ Committee/Management.
9. Any interest likely to lead an objective observer to perceive that the Relevant Person's advice might have been motivated by personal interest rather than a duty to give impartial advice.

Examples of conflicts of interest

10. Some common examples of conflicts of interest are described below, but they are by no means exhaustive.
 - a) Procurement of products or services
 - A Relevant Person involved in a procurement process, has interest in or is closely associated with a company which provides the HKBCF with paid services (e.g. training, consultancy, legal, accounting), or bids for supply of goods or services to the HKBCF.
 - A Relevant Person or his/her immediate family members or companies under their control has/have financial interest in a professional fundraiser (e.g. a marketing or public relations company) which the HKBCF engages to appeal for donations.
 - A Relevant Person leases or sells his/her property to the HKBCF.
 - b) Contract administration
 - A Relevant Person responsible for contract administration invites quotations from or employs contractors of the HKBCF for renovating his/her home.

c) Recruitment

- One of the candidates under consideration in a recruitment or promotion exercise is a family member, a relative or a close personal friend of the Relevant Person responsible for the exercise.

d) Others

- A Relevant Person attends a meeting for evaluation of a supplier of the HKBCF which he/she is also a board member of the supplier.
- A Relevant Person's company, being a sponsor for an event of the HKBCF, is favoured over other sponsors, e.g. publicity or best seats in the event.
- A client of a Relevant Person's business bids for purchase of an asset owned by the HKBCF.
- A Relevant Person responsible for assessing eligibility of applications for financial and free assistance support (e.g. Drug Financial Assistance Programme) provided by the HKBCF is considering an application from his/her personal friend or relative.

Outcomes of declaration of conflicts of interest

11. Upon receipt of a declaration of conflicts of interest from a Relevant Person, the ruling authority shall decide at its discretion on the appropriate course of action to be taken. Some possible outcomes are as below:

- the Relevant Person may continue to speak and/or vote on the matter;
- the Relevant Person may remain at the meeting as an observer on the matter;
- the Relevant Person shall withdraw from the meeting and immediately return any documents regarding the matter sent to him/her earlier;
- the Relevant Person may continue to handle the work;
- the Relevant Person shall refrain from performing or getting involved in performing the work.

Declaration of conflicts of interest by members of Council and Committees at meetings

The following are guidelines governing declaration of conflicts of interest at meetings:

12. If a Relevant Person has any direct personal or pecuniary interests in any matter under consideration by the Council/Committee, he/she shall, as soon as practicable after he/she has become aware of it, disclose to the chairman (or the Council/Committee as the case may be) prior to the discussion of the item.
13. The chairman (or the Council/Committee as the case may be) will decide whether the Relevant Person disclosing a conflict of interest may speak or vote on the matter, may remain at the meeting as an observer, or should withdraw from the meeting.
14. If the chairman declares a conflict of interest in a matter under consideration, the chairmanship will be temporarily taken over by a vice-chairman.
15. When a known direct pecuniary interest subsists, circulation of relevant documents to the concerned Relevant Person shall be withheld. Where a Relevant Person is in receipt of a document for discussion which he/she knows presents a direct conflict of interest, he/she shall immediately inform the chairman (or the Council/Committee as the case may be) and return the document to the secretary.
16. All cases of conflicts of interest declared at a meeting shall be recorded in the minutes of the meeting.

Appendix 2

Measures to manage possible conflicts of interest arising from Relevant Persons bidding for supply of goods/services to the HKBCF

1. When the procurement need is discussed, concerned Relevant Persons will be asked at the outset to declare whether they or any company associated with them are interested in bidding for the supply of goods/services.
2. Relevant Persons who have declared an interest to bid shall not take part or be present at any subsequent discussions or meetings concerning the proposed procurement, and shall be prohibited from access to any information in relation to the procurement exercise (other than in the capacity of a bidder).
3. Any relevant information relating to the procurement exercise shall be made equally available to all bidders to ensure a level playing field.
4. Any Relevant Persons who have put in a bid shall have no access to the submitted tender documents/quotations.
5. Bidder identity shall be anonymised before the evaluation of bids if a Relevant Person (or a company associated with him/her) is one of the bidders.
6. If a Relevant Person who has put in a bid (or a company associated with him/her) for the supply of goods/services, he/she shall withdraw from all related discussions, except when attending in the capacity of a supplier or a service-provider.

**Appendix 3
Form HRA31a**

**Declaration of conflicts of interest by Chairman, Members of Council and Committees/
Chief Executive Officer/General Manager on appointment**

Part A. Declaration of interest

To: Chairman of the Management Committee/ Management Committee*

**Please delete as appropriate*

Please tick the following box(es) as appropriate

I hereby declare:

- that I am not aware of any conflicts of interest I may have against the HKBCF arising from my capacity in the HKBCF.
- that to my best efforts, I have ascertained that my immediate family members or companies under their control do not render me in a perceived or actual conflict of interest situation against the HKBCF arising from my capacity in the HKBCF.
- the following existing/potential* conflicts of interest situation arising from my capacity in the HKBCF:

a) Persons/companies with whom/which I have official dealings and/or private interests:

b) Brief description of my duties which involved the persons/companies mentioned in item (a) above:

I undertake that I shall inform the HKBCF as soon as practicable when a situation of conflicts of interest arises during the term of my appointment.

Signature: _____

Name: _____

Date: _____

Capacity: _____

Part B. Acknowledgement

To (name of declarer):

- The information contained in your declaration form is noted.
- For follow up action: _____

Signature: _____

Name: _____

Date: _____

Capacity: _____

**Appendix 3
Form HRA31b**

Declaration of conflicts of interest by General Employees on appointment

Part A. Declaration of interest

To: Chief Executive Officer/General Manager*

**Please delete as appropriate*

Please tick the following box(es) as appropriate

I hereby declare:

- that I am not aware of any conflicts of interest I may have against the HKBCF arising from the discharge of my duties.
- that to my best efforts, I have ascertained that my immediate family members or companies under their control do not render me in a perceived or actual conflict of interest situation against the HKBCF arising from the discharge of my duties.
- the following existing/potential* conflicts of interest situation arising from the discharge of my duties:

a) Persons/companies with whom/which I have official dealings and/or private interests:

b) Brief description of my duties which involved the persons/companies mentioned in item (a) above:

I undertake that I shall inform the HKBCF as soon as practicable when a situation of conflicts of interest arises during the course of my employment.

Signature: _____ Name: _____

Date: _____ Capacity: _____

Part B. Acknowledgement

To (name of declarer):

- The information contained in your declaration form is noted.
- For follow up action: _____

Signature: _____ Name: _____

Date: _____ Capacity: _____